

Request for Proposal

542-9049

**5-YEAR CONTRACT FOR ACTUARIAL SERVICES-CITY SELF INSURED
HEALTH BENEFIT PLANS**

***Opens: June 10, 2004
2:00 p.m.***



City of Fort Lauderdale

***Issued for Finance Department/Risk Management Division
By the Procurement & Materials Management Division***

***Linda R. Wilson, C.P.M., CPPB
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Visit us on the web at www.fortlauderdale.gov/purchasing

(954) 828-5140

542-9049

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PART I - INTRODUCTION/BACKGROUND

01. PURPOSE: The City of Fort Lauderdale, Florida (City) is seeking proposals from qualified firms, hereinafter referred to as the Contractor, to provide an evaluation of the actuarial soundness of the City's self insured Employee Health Benefit Plans, in accordance with the terms, conditions, and specifications contained in this Request for Proposals (RFP). The successful Proposer will provide comprehensive services that are legally defensive, and that meet all federal, State and local laws, statutes and ordinances governing such services.

- 01.1. **Background:** The City provides health benefits to its employees pursuant to the City of Fort Lauderdale's self-funded employee benefits plan. Coverage under the Plan is a Benefit available to eligible employees, retirees and their dependents. It is funded jointly by contributions from the City, employees and retirees. It is self-insured by the City with specific stop-loss insurance purchased from Combined Insurance.

The City currently offers two self-funded HMO options and a self-funded PPO. Vision and Prescription benefits are included in the Medical plans. A fully insured Dental Plan through Guardian Insurance is also available to employees. The City has entered into Administrative Agreements with two Third Party Administrator (TPA's) Benefit Management Company and AvMed Health Care to provide comprehensive claims administration services and reporting.

- 01.2. **History:** The City of Fort Lauderdale has been self-funded since September 1, 2000, the City of Fort Lauderdale has provided a self-insured health plan for Management, Confidential and other unrepresented City employees (non-bargaining employees) and employees in the FOPA bargaining unit. The self-insured Health Plan's retained earnings for end of period December 31, 2003 were (\$4,907,486). The City and FOPA Union are working together to reduce the deficit. The City has taken the following actions to reduce and eliminate the deficit by increased cost sharing by employees, improved contracts/discounts with providers and additional administrative oversight.
- 01.3. Included, as **Exhibit A** is a sample of a request for data from current actuary.
- 01.4. Included as **Exhibit B** is a sample of what the City provided for the period 01/01/2003 through 12/31/2003.

02. CONTRACT TERM: The initial contract term shall be for five (5) years. The City reserves the right to extend the contract for up to five (5) additional one (1) year extensions, providing all terms, conditions and specifications remain the same, both parties agree to the extension, and such extension is approved by the City Commission.

Anticipated Contract effective date: August 1, 2004

03. LAST DATE FOR QUESTIONS: Any questions Proposers wish to be addressed and which might require addendum must be submitted in writing to the City's Purchasing Division. The City shall accept written **questions of a material nature until, May 25, 2004, at 5:00 PM.** All questions will be reviewed and an Addendum issued, if applicable, to all proposers who have been sent a copy of the RFP, or who have downloaded the document from the City website, and advised us of that action.

To expedite receipt and response to these questions, **Proposers are requested to fax them to the Procurement Specialist, Linda Wilson, Purchasing Division, and (954) 828-5576, or e-mail to lwilson@fortlauderdale.gov**

All inquiries shall include the RFP number, and specify RFP Section number, page and paragraph reference for each question. An addendum will be issued within 3 business days of the Last Date for Receipt of Questions.

04. ADDITIONAL INFORMATION: For information concerning **procedures for responding to this RFP**, contact **Procurement Specialist, Linda Wilson, at (954) 828-5146**. For information concerning the **technical specifications contained in this RFP**, contact **Terry L. Sharp, Director of Finance, at 954-828-5165**, or **Benefits Manager, Marylee Coyle at (954) 828-5436**.

05. CONTRACT PERIOD : The initial contract term shall commence, following approval of the contract by the City Commission and shall be for a five (5) year period. The City reserves the right to extend the contract for up to five one (1) year terms providing all terms conditions and specifications remain the same, both parties agree to the extension, and such extension is approved by the City.

06. CONTRACT COST ADJUSTMENTS

The costs as proposed and accepted by the City shall be firm for the first two (2) years of contract term. The costs for third and subsequent years, and any extension terms shall be subject to an adjustment only if increases or decreases have occurred in the industry and are properly documented. Any requested cost adjustment shall be submitted to the City at least ninety (90) days prior to the contract anniversary date, and may not exceed 5% or the CPI whichever is lesser.

Such adjustment shall be based on the latest yearly percentage increase in the All Urban Consumers Price Index (CPI-U) as published by the Bureau of Labor Statistics, U.S. Dep't. of Labor, and shall not exceed five percent (5%). The yearly increase or decrease in the CPI shall be that latest Index published and available for the calendar year ending one hundred and twenty (120) days preceding the end of the contract year then in effect, as compared to the index for the comparable month one year prior.

The City may, after examination, refuse to accept the adjusted costs if they are not properly documented, increases are considered to be excessive, or decreases are considered to be insufficient. In the event the City does not wish to accept the adjusted costs, and the matter cannot be resolved to the satisfaction of the City, the City reserves the right to cancel the contract at the expiration date, upon giving thirty (30) days notice to the Contractor.

07. RELATED EXPENSES/TRAVEL EXPENSES: If applicable, any related expenses chargeable to the City, such as supplies, printing, binders, etc. shall be passed through at Contractor's cost. Related expenses shall not include any postage, telephone toll charges, or other charges incurred in the normal course of business.

Any travel out of the tri-county (Dade, Broward and Palm Beach Counties) area shall be in accordance with current City per diem rates and travel policy. No costs for travel, meals, or accommodations shall be charged to the City for travel within the tri-county area unless the Contractor's office assigned to the project is located outside this area. Proposer shall include as a part of the RFP response, all details and costs regarding anticipated travel expenses and include such costs in the Total Cost To The City for All Services.

| | | | | | |
|---------------------------|-----------|-------|--------|-----------|-------|
| Per Diem: Fort Lauderdale | Breakfast | Lunch | Dinner | Taxi-Limo | Taxes |
| FL FORT LAUDERDALE | 10.95 | 11.35 | 28.25 | 7 10 | 11% |
| FL FORT LAUDERDALE | 10.95 | 11.35 | 28.25 | 7 10 | 11% |

Per Diem Lodging: Fort Lauderdale

| | | | | | | | | |
|----|---------------|---------|---------------|-------|-------|----------|---------|----------|
| FL | FT LAUDERDALE | Broward | Seasonal-Peak | 12/15 | 4/30 | \$100.00 | \$42.00 | \$142.00 |
| FL | FT LAUDERDALE | Broward | Seasonal-Off | 5/1 | 12/14 | \$69.00 | \$42.00 | \$111.00 |

Contractor shall incur no travel or related expenses chargeable to the City without prior approval by an authorized City representative. Contractor shall provide, if required by the City, documentation of all actual travel or related costs.

PART II - RFP SCHEDULE

| | |
|---|-------------------------|
| Release Notice of RFP Availability | 5/13/04 |
| LAST DATE FOR RECEIPT OF QUESTIONS OF A MATERIAL NATURE | 5/25/04 |
| Addendum Release, if required | 5/28/04 |
| RFP OPENS | 6/10/04, 2:00 PM |
| Preliminary Evaluation Committee Review, And, if possible, Short Listing | Week of 6/18/04 |
| Evaluation Committee Meeting to review clarifications, and/or Oral presentations (if necessary), and final ranking | Week of 6/21/04 |
| Anticipated award by City Commission | 7/20/04 |
| Anticipated Contract Effective Date | 8/1/04 |

PART III – SPECIAL CONDITIONS

01. GENERAL CONDITIONS

RFP General Conditions Form G-107 Rev. (GC) are included and made a part of this RFP as Exhibit "A".

02. VARIANCES

While the City allows Contractors to take variances to the RFP terms, conditions, and specifications, the number and extent of variances taken will be considered in determining proposal responsiveness and in allocating proposal evaluation points. See Section 1.06 of GC.

03. NEWS RELEASES/PUBLICITY

News releases, publicity releases, or advertisements relating to this contract or the tasks or projects associated with the project shall not be made without prior City approval.

04. RFP DOCUMENTS

The Contractor shall examine this RFP carefully. Ignorance of the requirements will not relieve the Contractor from liability and obligations under the Contract.

05. PROPOSERS' COSTS

The City shall not be liable for any costs incurred by proposers in responding to this RFP.

06. RULES AND PROPOSALS

The signer of the proposal must declare that the only person(s), company or parties interested in the proposal as principals are named therein; that the proposal is made without collusion with any other person(s), company or parties submitting a proposal; that it is in all respects fair and in good faith, without collusion or fraud; and that the signer of the proposal has full authority to bind the principal proposer.

07. CONFIDENTIAL INFORMATION

Florida law provides that municipal records shall at all times be open for personal inspection by any person. Section 119.01, F.S., The Public Records Law. Information and materials received by City in connection with all Proposers response shall be deemed to be public records subject to public inspection upon award, recommendation for award or 10 days after bid opening, whichever occurs first. However, certain exemptions to the public records law are statutorily provided for in Section 119.07, F.S. Therefore, if the Proposer believes any of the information contained in his or her response is exempt from the Public Records Law, then the Proposer must in his or her response specifically identify the material, which is deemed to be exempt and cite the legal authority for the exemption, otherwise, the City will treat all materials received as public records.

08. PUBLIC ENTITY CRIMES

A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for Category Two for a period of 36 months from the date of being placed on the convicted vendor list.

09. INVOICES/PAYMENT

The City will accept invoices no more frequently than once per month. Each invoice shall fully detail the hourly costs and all related costs and shall specify the status of the particular task or project as of the date of the invoice as regards the accepted schedule for that task or project. The City shall endeavor to pay a

correct invoice within thirty (30) days of receipt. If, at any time during the contract, the City shall not approve or accept the Contractor's work product, and agreement cannot be reached between the City and the Contractor to resolve the problem to the City's satisfaction, the City shall negotiate with the Contractor on a payment for the work completed and usable to the City. This negotiated payment shall be based on the overall task or project breakdown, relative to the projected number of hours for each task element, and the percentage of work completed.

10. RELATED EXPENSES/TRAVEL EXPENSES

All related expenses chargeable to the City, such as supplies, printing, binders, etc, if applicable, shall be passed through at Contractor's cost. Related expenses shall not include any postage, telephone toll charges, or other charges incurred in the normal course of business.

Any travel out of the tri county (Dade, Broward and Palm Beach Counties) area shall be in accordance with current City per diem rates and travel policy (**EXHIBIT "B" attached**). No costs for travel, meals, or accommodations shall be charged to the City for travel within the tri county area unless the Contractor's office assigned to the project is located outside this area.

Contractor shall incur no travel or related expenses chargeable to the City without prior approval by an authorized City representative.

Contractor shall provide, if required by the City, documentation of all actual travel or related costs.

11. NO EXCLUSIVE CONTRACT/ADDITIONAL SERVICES

Contractor agrees and understands that the contract shall not be construed as an exclusive arrangement and further agrees that the City may, at any time, secure similar or identical services at its sole option.

12. DELETION OR MODIFICATION OF SERVICES

The City reserves the right to delete any portion of this Contract at any time without cause, and if such right is exercised by the City, the total fee shall be reduced in the same ratio as the estimated cost of the work deleted bears to the estimated cost of the work originally planned. If work has already been accomplished on the portion of the Contract to be deleted, the Contractor shall be paid for the deleted portion on the basis of the estimated percentage of completion of such portion.

If the Contractor and the City agree on modifications or revisions to the task elements, after the City has approved work to begin on a particular task or project, and a budget has been established for that task or project, the Contractor will submit a revised budget to the City for approval prior to proceeding with the work.

13. ADDITIONAL ITEMS/SERVICES

The City may require additional items or services of a similar nature, but not specifically listed in the contract. The Contractor agrees to provide such items or services, and shall provide the City prices on such additional items or services based upon a formula or method that is the same or similar to that used in establishing the prices in his proposal. If the price(s) offered are not acceptable to the City, and the situation cannot be resolved to the satisfaction of the City, the City reserves the right to procure those items or services from other vendors, or to cancel the contract upon giving the Contractor thirty (30) days written notice.

14. SUBSTITUTION OF PERSONNEL

It is the intention of the City that the Contractor's personnel proposed for the contract will be available for the initial contract term. In the event the Contractor wishes to substitute personnel, he shall propose personnel of equal or higher qualifications and all replacement personnel are subject to prior City approval. In the event substitute personnel are not satisfactory to the City and the matter cannot be resolved to the satisfaction of the City, the City reserves the right to cancel the Contract for cause. See Section 5.09 General Conditions.

15. SUBCONTRACTING

In the event proposer considers subcontracting in the course of performing these services, that information shall be specifically detailed within the proposal response, and all requirements of the Proposer shall be applicable and required of the proposed sub-contractor, and be subject to the City's approval and acceptance. The City reserves the right to approve or disapprove of any subcontractor candidate in its best interest.

16. OWNERSHIP OF WORK

The City shall have full ownership and the right to copyright, otherwise limit, reproduce, modify, sell, or use all of the work or product produced under this contract without payment of additional fees to the Contractor above the agreed hourly rates and related costs.

17. INDEPENDENT CONTRACTOR

The Contractor is an independent contractor under this Contract. Personal services provided by the Contractor shall be by employees of the Contractor and subject to supervision by the Contractor, and not as officers, employees, or agents of the City. Personal policies, tax responsibilities, social security, health insurance, employee benefits, purchasing policies and other similar administrative procedures applicable to services rendered under this Contract shall be those of the Contractor.

18. INSURANCE

The Contractor shall carry at all times the following insurance coverage:

Workers' Compensation & Employers' Liability Insurance

Limits: Workers Compensation for all Contractor employees – Statutory 440.055.
Employers Liability in the amount of \$500, 000

Commercial General Liability Insurance

Limits: Combined single Limit Bodily Injury/Property Damage with minimum limits of \$1,000,000.

Automobile Liability Insurance

Limits: Bodily Injury - \$250,000 each person
\$500,000 each occurrence
Property Damage \$100,000 each occurrence
Combined single Limit \$1,000,000

Errors & Omission Insurance: \$1,000,000 per occurrence.

\$2,000,000 aggregate with defense costs in addition to limits

The City shall be named as an additional insured with regard to Commercial general Liability. Original certificates shall be provided to the Purchasing Division and be approved by the City's Risk Manager prior to commencement of any work.

19. INDEMNITY/HOLD HARMLESS AGREEMENT

The Contractor agrees to protect, defend, indemnify, and hold harmless the City of Fort Lauderdale and its officers, employees and agents from and against any and all losses, penalties, damages, settlements, claims, costs, charges for other expenses, or liabilities of every and any kind including attorney fees, in connection with or arising directly or indirectly out of the work agreed to or performed by Contractor under the terms of any agreement that may arise due to the bidding process. Without limiting the foregoing, any and all such claims, suits, or other actions, relating to personal injury, death, damage to property, defects in materials or workmanship, actual or alleged violations of any applicable statute, ordinance, administrative order, rule or regulation, or decree of any court, shall be included in the indemnity hereunder.

20. RECORDS, AUDITS

The accounts and financial records, with respect to the services performed under the Contract, shall be kept separate or identifiable from those relating to the Contractor's other activities. The Contractor shall, with reasonable prior notice, make available, during reasonable business hours, to the City's Representative or Internal Auditor for inspection and audit all records and files relative to this Contract. The Contractor shall maintain and make available such records and files for the duration of the Contract, including any extension terms plus two (2) years.

Such records shall be maintained, as an independent certified public accountant would need to examine in order to certify a statement of Contractor's operations according to generally accepted auditing standards. Statement on Auditing Standards (SAS) No. 70 report is required.

21. LOBBYING ACTIVITIES: Any Proposer submitting a response to this solicitation must comply, if applicable, with the City of Fort Lauderdale Ordinance No. C-00-27, Lobbying Activities. Copies of Ordinance C-00-27 may be obtained from the City Clerk's office on the 7th Floor of City Hall, 100 North Andrews Avenue, Fort Lauderdale, FL 33301. The ordinance may also be viewed on the City's website at <http://fortlauderdale.gov/documents.htm>

PART IV – SCOPE OF SERVICES

1.00 Provide an evaluation of the actuarial soundness of the Employee Health Benefit Plan (the Plan).

1.01 Prepare annual Actuarial Certification and State exhibits required by the Florida Statute 112.08 (rate sufficiency certification). A member of the American Academy of Actuaries or an Associate, Society of Actuaries must sign the certification.

Provide actuarial analysis to evaluate the extent of compliance with the standards as expressed by the Governmental Accounting Standards Board in their Governmental Accounting Standard Series, Statement No. 10 entitled Accounting and Financial Reporting for Risk Financing and Related Insurance Issues.

1.02 Upon request, prepare a written actuarial analysis of claim liability for the entire plan (medical, prescription drugs, and vision) broken out by employee group and plan.

1.03 Use standard actuarial methods to provide evaluation of entire plan and make recommendation to the City for rate calculation prior to open enrollment each year. Calculate employee/retiree contribution rates and develop COBRA rates.

1.04 Prepare a forecast of the number of expected claims, estimate the value of expected payments, develop overall trend and insurance inflation factors, estimate the lag in reporting incurred claims (IBNR) and estimate the lag in payment of claims. Provide spreadsheet of incurred claim liability. The actuary shall be responsible for reviewing outstanding reserves and IBNR estimates to assure that the City has established adequate reserves for each of the major types of exposures and estimate of the present value of current reserves for claims.

1.05 Analyze historical loss and industry data to calculate future benefit payments in order to evaluate the reasonableness of the stop-loss coverage pricing and make a recommendation on attachment point.

1.06 As required the Contractor must model program costs and be prepared to;

1. Aggregate and sort the data into meaningful analysis categories for the purposes of assessing total program costs and employer and employee contributions.
2. Provide actuarially based projections for plan alternatives under variable enrollment assumptions, contribution strategies, and benefit design changes
3. Evaluate the cost impact of changes in plan design and suggest cost saving changes.

Budgetary and Commission processes often dictate that this analysis be performed under tight deadlines. Contractor may have to respond to ad hoc requests for data or analysis.

1.07 Contractor must follow HIPAA guidelines and be willing to sign Business Associate Agreement with the City.

1.08 Describe the forecasting methodology to be used to complete the tasks. Justify the chosen actuarial methods to be used in written narrative form.

PART V - INSTRUCTIONS TO PROPOSERS/REQUIREMENTS OF PROPOSAL

Instructions to Proposers:

The City will receive proposals for actuarial services up until the date and time specified in the RFP Schedule.

Proposals must be submitted in sealed envelopes clearly marked with the RFP Identification Title and Proposal Number, Opening Date and Opening Time, and the Return Address of the Proposer all clearly marked on the outside of the envelope. All proposals must be received prior to the opening date and time specified in the RFP.

Proposals shall be delivered to:

City of Fort Lauderdale-Procurement & Materials Management Div.
100 N. Andrews Avenue, RM. 619
Ft. Lauderdale, FL 33301

The proposal shall be signed by a representative who is authorized to contractually bind the Contractor.

Requirements of the Proposal:

All proposals shall be submitted as specified on the proposal pages included in the RFP document. Any attachments must be clearly identified. To be considered, the proposal must respond to all parts of the RFP.

Any other information thought to be relevant, but not applicable to the enumerated categories, should be provided as an appendix to the proposal. If publications are supplied by a proposer to respond to a requirement, the response should include reference to the document number and page number. This will provide a quick reference for the evaluators. Proposals not providing this reference will be considered to have no reference material included in the additional documents.

Proposals shall include:

A. Actuary Qualifications & Experience: Proposer must be an actuary. Documentation must be submitted to support experience with self-funded Health programs of Florida governmental entities. The Actuarial firm's personnel assigned to this project must have first hand experience in preparing Actuarial Certification and State exhibits required by the Florida Statute 112.08 (rate sufficiency certification and the evaluation and assessment of the reserving practices of governmental entities of similar size. Resumes should be included.

B. Other relevant experience with non-governmental clients who may demonstrate the scope of services and resources available from the actuarial firm.

C. Staff Qualifications: The qualifications of the person(s) who will have primary responsibility for completion of this assignment, must be included; supporting documentation for experience in accounting principles as promulgated in Statement No. 10 of the Governmental Accounting Standards Board, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues.

**PROPOSERS MUST SUBMIT AN IDENTIFIED ORIGINAL COPY
PLUS FOUR (4) COPIES OF THE PROPOSAL PAGES
INCLUDING ANY ATTACHMENTS**

542-9049

THE ABOVE REQUIREMENT TOTALS FIVE (5) COPIES OF YOUR PROPOSAL

PROPOSAL PAGES ARE AS FOLLOWS:

Proposal Summary Pages, including Signature Page

- Financial Proposal

- Technical Proposal

- Questionnaire

Attachments to your Proposal

PART V - CONSIDERATION FOR AWARD/AWARD PROCEDURES

The award of the contract will be based on certain objective and subjective considerations listed below:

EVALUATION CRITERIA

ASSIGNED POINTS

1. Understanding of the overall needs of the City as presented in the narrative technical proposal. Evaluation of responses to specific points identified in Scope of work. Methodology proposed, assets committed to complete tasks, personnel assigned to project.

Points available are 0-30.

30

2. Contractor capabilities and experience. To include: qualifications of the proposer and staff to be assigned to the City's contract (resumes required); time in business; financial stability; experience in rate sufficiency certification; and experience in analysis of employee benefit plans. Includes client references.

Points available are 0-40.

40

3. Proposed pricing schedule and estimated cost to the City.

Points available are 0-30.

30

MAXIMUM TOTAL POINTS:

100 points.

Evaluation of proposals will be conducted by an evaluation committee of qualified City Staff, or other persons selected by the City. The committee will evaluate all responsive proposals based upon the information and references contained in the proposals as submitted. The committee will score and rank all responsive propos, and determine a minimum of three (3), if more than three (3) proposals are responsive, to be finalists for further consideration. In the event there are less than three (3) responsive proposals, the committee will give further consideration to all responsive proposals received. The committee may determine the need to conduct oral interviews, for clarification purposes only, with the finalists and re-score and re-rank the finalists proposals. The first ranked proposer resulting from this process will be recommended to the Fort Lauderdale City Commission for award.

Information and references submitted will be considered in the award.

The City may require additional information and Proposers agree to furnish such information. The City reserves the right to award the contract to that Proposer who will best serve the interest of the City. The City reserves the right, based upon it's deliberations and in it's opinion, to accept or reject any or all proposals. The City also reserves the right to waive minor irregularities or variations to the specifications and in the bidding process.

PROPOSAL SUMMARY PAGES - SIGNATURE PAGE

TO: The City of Fort Lauderdale

The below signed hereby agrees to furnish the services at the price(s) and terms stated subject to all instructions, conditions, specifications addenda, legal advertisement, and conditions contained in the RFP. I have read all attachments including the specifications and fully understand what is required. By submitting this signed proposal I will accept a contract if approved by the City and such acceptance covers all terms, conditions, and specifications of this proposal. I have not divulged to, discussed with, or compared this proposal with any other proposer(s) and have not colluded with any other proposer(s) or parties to this RFP. I certify I am authorized to contractually bind the Proposing firm:

Proposal submitted by:

Principal Contact (printed): _____

Title: _____

Company Name: _____
(Legal Registered)

Address: _____

City: _____ State: _____ Zip: _____

Telephone No. _____ FAX No. _____ E-Mail: _____

Signature: _____ Date: _____

NAME OF ACTUARY: _____**Principal Contact Name:** _____
(If different from above firm)**Address:** _____**City:** _____ **State:** _____ **Zip:** _____**Telephone:** _____ **FAX:** _____ **E-Mail:** _____

ADDENDUM ACKNOWLEDGEMENT - Proposer acknowledges that the following addenda have been received and are included in his proposal:

| <u>Addendum No.</u> | <u>Date Issued</u> |
|---------------------|--------------------|
|---------------------|--------------------|

MBE/WBE Status as outlined in General Conditions 1.09 and 1.09a Exhibit "A" attached.

MBE:_____

WBE:_____

Certification Included?

YES:_____

NO:_____

VARIANCES: State any variations to specifications, terms and conditions in the space provided below or reference in the space provided below all variances contained on other pages of RFP, attachments or proposal pages. No variations or exceptions by the Proposer will be deemed to be part of the proposal submitted unless such variation or exception is listed and contained within the proposal documents and referenced in the space provided below. If no statement is contained in the below space, it is hereby implied that your proposal complies with the full scope of this RFP.

Variances:

PROPOSAL SUMMARY PAGES - FINANCIAL PROPOSAL

ITEM DETAIL COSTS:

FIRM, FIXED HOURLY RATE: \$_____

X ESTIMATED NUMBER OF HOURS: _____ = \$ _____
ESTIMATED ANNUAL TOTAL

Expenses: Provide a detailed breakdown of all anticipated expenses, number of trips and all associated additional costs, if applicable:

Hotel: \$_____

Travel: \$_____

Meals: \$_____

Misc: \$_____

Total Estimated Annual Expenses: = \$_____

TOTAL ESTIMATED ANNUAL COST TO THE CITY = \$_____

OR: GUARANTEED ANNUAL MAXIMUM COST TO THE CITY NOT TO EXCEED: \$_____

PROPOSAL SUMMARY PAGE - TECHNICAL PROPOSAL

The following issues should be fully responded to in your proposal in concise narrative form. Additional sheets should be used, but they should reference each issue and be presented in the same order.

- I. Understanding of the City's needs for actuarial services for the City of Fort Lauderdale's self-insured Health Plans and your overall approach to those needs. Provide a copy of an actuarial analysis of a health benefit program and Actuarial Certification and State Exhibits required by Florida §112.8 that your firm prepared for a public sector client with at least 2,000 employees. If proprietary information must be protected, a redacted version would be acceptable.

- II. Approach and concept for the ACTUARIAL SERVICES:

- III. How many calendar days from final execution of the contract would you need prior to the initial meeting with the City?

_____ Days

How many calendar days would you estimate that you would need after the initial meeting with the City until you would have your preliminary outline available for City review?

_____ Days

PROPOSAL SUMMARY PAGES - QUESTIONNAIRE

Prior Experience:

Number of years experience the proposer has had in providing similar services:

_____years

List below those persons who will have a management or senior position working with the City, if you are awarded the contract. List name, title or position, and project duties. A resume or summary of experience and qualifications must accompany your proposal.

List all government agency clients for whom you have provided similar services in the last three years. Provide agency name, address, telephone number, contact person, and date service was provided. If services provided differs from the one presented in your proposal, please delineate such differences.

List other non-government client references for whom you have performed these services within the past three (3) years:

List those City of Fort Lauderdale agencies with which the proposer has had contracts or agreements during the past three (3) years:

Lawsuits (any) pending or completed involving the corporation, partnership or individuals with more than ten percent (10%) interest:

- a. List all pending lawsuits, which are concerned directly with the staff or part of your organization proposed for the contract:

- b. List all judgments from lawsuits in the last 5 years, which are concerned directly with the staff or part of your organization proposed for the contract.

The proposer understands that the information contained in these Proposal Pages is to be relied upon by the City in awarding the proposed Agreement, and such information is warranted by the proposer to be true. The proposer agrees to furnish such additional information, prior to acceptance of any proposal, relating to the qualifications of the proposer, as may be required by the City.

PROPOSER PLEASE INSURE THAT YOU HAVE SIGNED THE SIGNATURE PAGE OF THESE PROPOSAL PAGES. OMISSION OF A SIGNATURE ON THAT PAGE MAY RESULT IN REJECTION OF YOUR PROPOSAL

COMPLETE AND RETURN THE REQUIRED NUMBER OF PROPOSAL PAGES AND ATTACHMENTS.

Data Required for Actuarial Analysis

1. Monthly lives covered under the Plan (e.g., Active, Retirees, COBRA) for all benefits offered (e.g., medical, dental, etc.) by coverage (e.g., single, family) for the period 8/01/2002 - 12/31/2002.
2. Premium Rates (contribution levels) for all benefits covered under the Plan (e.g., medical, dental, etc.) by coverage (e.g., single, family) for the period 01/01/2002 - 12/31/2002 & 01/01/2003 - 12/31/2003 if available.
3. Provide total premium (contributions paid by the employer and/or employees to fund the health plan) by month for the period 08/01/2002 - 12/31/2002. The premiums reported should be consistent with the lives reported in item #1 (e.g., earned, collected or billed).
4. Copy of the reinsurance contract covering the upcoming Plan Year 01/01/2003 - 12/31/2003. Please include the Schedule Page.
5. Expenses of the program for Plan Year 01/01/2003 - 12/31/2003.
 - a) Specific reinsurance cost per insured per month (see Schedule Page of the contract)
 - b) Aggregate reinsurance cost per insured per month (see Schedule Page of the contract)
 - c) Claims administration fee per insured per month
 - d) Cost of any other expense of the program (e.g., UR, COBRA, conversion, Drugs, Network Access Fee, etc.)
6. Copies of the Financial Statements as of 12/31/2002 (end of Plan Year). These should include a *balance sheet* and *income statement*.
7. Copies of booklets describing the benefits available under the plan.
8. List of any plan changes implemented in the last Plan Year or changes anticipated for the upcoming Plan Year.
9. Review and correct the attached exhibit B.
10. If a Purchase Order Number is required by your Finance Department, please provide us with one.
11. Claims Lag Report showing claims paid by incurred date for payment period 08/01/2002 - 12/31/2002. This report should include all claims covered under the plan (e.g., medical, dental, vision, drugs, etc.). Please specify what type of claims are included in this report.
12. Provide the total number of claims filed during Plan Year 01/01/2002 - 12/31/2002.
13. A brief description of any significant changes in the claims inventory (backlog) during the last Plan Year.
14. If applicable, please provide a list of insured with claims in excess of the Specific Reinsurance retention amount for contract covering Plan Year 01/01/2002 - 12/31/2002. The following information should be provided for each claimant:

EXHIBIT A page 2

- a) Total amount of claims paid
- b) Specific reinsurance retention limit
- c) Total amount in excess of retention limit
- d) Total amount reimbursed (recovered from reinsures), if any
- e) Total amount recoverable (pending from reinsures), if any

15. Provide the following detail information for each claim paid on each claimant listed in item #14.

- a) Incurred Date
- b) Paid Date
- c) Amount Paid

- Please number the data provided according to the Item # on this data request.
- Whenever possible, please provide data on diskette or send electronically.

EXHIBIT B page 1

Exhibit A-6
Balance Sheet
City of Fort Lauderdale
Self-Insured Health Plan
as of December 31, 2003

ASSETS

| | |
|---------------------------|---------------------------|
| Cash and Cash Equivalents | (2,463,014) |
| Receivables | <u>689</u> |
| Total Assets | <u><u>(2,462,325)</u></u> |

LIABILITIES AND FUND EQUITY

Liabilities

| | |
|------------------------------------|------------------|
| Estimated Insurance Claims Payable | 2,445,161 |
| Deferred Premiums | <u>-</u> |
| Total Liabilities | <u>2,445,161</u> |

Fund Equity

| | |
|-----------------------------------|---------------------------|
| Retained Earnings | <u>(4,907,486)</u> |
| Total Fund Equity | <u>(4,907,486)</u> |
| Total Liabilities and Fund Equity | <u><u>(2,462,325)</u></u> |

EXHIBIT B page 2

Exhibit A-6
Income Statement
City of Fort Lauderdale
Self-Insured Health Plan
For the year ended December 31, 2003

OPERATING REVENUES

| | |
|--------------------------|------------|
| Premiums | 14,748,903 |
| Reinsurance Payments | 872,420 |
| | <hr/> |
| Total Operating Revenues | 15,621,323 |
| | <hr/> |

OPERATING EXPENSES

| | |
|---------------------------------------|-------------|
| Personal Services | (3,612) |
| Services/Materials | 1,409,851 |
| Non-Operating Expenses (Claims) | 11,863,782 |
| | <hr/> |
| Total Operating Expenses | 13,270,021 |
| | <hr/> |
| Operating Income (Loss) | 2,351,302 |
| | <hr/> |
| Non-operating Revenue | |
| Interest | (114,929) |
| | <hr/> |
| Income Before Transfers In and Out | 2,236,373 |
| | <hr/> |
| Transfers In and Out | |
| Transfers In | - |
| Transfers Out | - |
| | <hr/> |
| Net Income (Loss) | 2,236,373 |
| | <hr/> <hr/> |
| Retained Earnings Beginning of Period | (7,143,859) |
| | <hr/> <hr/> |
| Retained Earnings End of Period | (4,907,486) |
| | <hr/> <hr/> |

| |
|---------------------------|
| City of Fort Lauderdale |
| GENERAL CONDITIONS |

These instructions are standard for all contracts for commodities or services issued through the City of Fort Lauderdale Division of Procurement & Materials Management. The City may delete, supersede, or modify any of these standard instructions for a particular contract by indicating such change in the Invitation to Bid (ITB) Special Conditions, Technical Specifications, Instructions, Proposal Pages, Addenda, and Legal Advertisement.

PART I BIDDER PROPOSAL PAGE(S) CONDITIONS:

- 1.01 BIDDER ADDRESS:** The City maintains automated vendor mailing lists for each specific Commodity Class Item. Invitation to Bid (ITB'S) will be mailed first to a selection of Bidders who have fully registered on our system. Requests will be mailed to unregistered Bidders within a reasonable time frame for that bid only. Neither the mailing of one ITB to the vendor, nor a bid in return, will register a vendor on our system. If you wish purchase orders sent to a different address, please so indicate. If you wish payments sent to a different address, please so indicate on your invoice.
- 1.02 DELIVERY:** Time will be of the essence for any orders placed as a result of this ITB. The City reserves the right to cancel any orders, or part thereof, without obligation if delivery is not made in accordance with the schedule specified by the Bidder and accepted by the City.
- 1.03 PAYMENT TERMS AND CASH DISCOUNTS:** Payment terms, unless otherwise stated in this ITB, will be considered to be net 30 days after the date of satisfactory delivery at the place of acceptance and receipt of correct invoice at the office specified, whichever occurs last. Bidder may offer cash discounts for prompt payment but they will not be considered in determination of award. If a Bidder offers a discount, it is understood that the discount time will be computed from the date of satisfactory delivery, at the place of acceptance, and receipt of correct invoice, at the office specified, whichever occurs last.
- 1.04 TOTAL BID DISCOUNT:** If Bidder offers a discount for award of all items listed in the bid, such discount shall be deducted from the total of the firm net unit prices bid and shall be considered in tabulation and award of bid.
- 1.05 BIDS FIRM FOR ACCEPTANCE:** Bidder warrants, by virtue of bidding, that his bid and the prices quoted in his bid will be firm for acceptance by the City for a period of ninety (90) days from the date of bid opening unless otherwise stated in the ITB.
- 1.06 VARIANCES:** For purposes of bid evaluation, Bidder's must indicate any variances, no matter how slight, from ITB General Conditions, Special Conditions, Specifications or Addenda in the space provided in the ITB. No variations or exceptions by a Bidder will be considered or deemed a part of the bid submitted unless such variances or exceptions are listed in the bid and referenced in the space provided on the bidder proposal pages. If variances are not stated, or referenced as required, it will be assumed that the product or service fully complies with the City's terms, conditions, and specifications.
- By receiving a bid, City does not necessarily accept any variances contained in the bid. All variances submitted are subject to review and approval by the City. If any bid contains material variances that, in the City's sole opinion, make that bid conditional in nature, the City reserves the right to reject the bid or part of the bid that is declared, by the City as conditional.
- 1.07 NO BIDS:** If you do not intend to bid please indicate the reason, such as insufficient time to respond, do not offer product or service, unable to meet specifications, schedule would not permit, or any other reason, in the space provided in this ITB. Failure to bid or return no bid comments prior to the bid due and opening date and time, indicated in this ITB, may result in your firm being deleted from our Bidder's registration list for the Commodity Class Item requested in this ITB.
- 1.08 MINORITY AND WOMEN BUSINESS ENTERPRISE PARTICIPATION AND BUSINESS DEFINITIONS:** The City of Fort Lauderdale wants to increase the participation of Minority Business Enterprises (MBE), Women Business Enterprises (WBE), and Small Business Enterprises (SBE) in its purchasing activities. If your firm qualifies in accordance with the below definitions please indicate in the space provided in this ITB.

Minority Business Enterprise (MBE) "A Minority Business" is a business enterprise that is owned or controlled by one or more socially or economically disadvantaged persons. Such disadvantage may arise from cultural, racial, chronic economic circumstances or background or other similar cause. Such persons include, but are not limited to: Blacks, Hispanics, Asian Americans, and Native Americans.

The term 'Minority Business Enterprise' means a business at least 51 percent of which is owned by minority group members or, in the case of a publicly owned business, at least 51 percent of the stock of which is owned by minority group members. For the purpose of the preceding sentence, minority group members are citizens of the United States who include, but are not limited to: Blacks, Hispanics, Asian Americans, and Native Americans.

Women Business Enterprise (WBE) a "Women Owned or Controlled Business is a business enterprise at least 51 percent of which is owned by females or, in the case of a publicly owned business, at least 51 percent of the stock of which is owned by females.

Small Business Enterprise (SBE) "Small Business" means a corporation, partnership, sole proprietorship, or other legal entity formed for the purpose of making a profit, which is independently owned and operated, has either fewer than 100 employees or less than \$1,000,000 in annual gross receipts.

BLACK, which includes persons having origins in any of the Black racial groups of Africa.

WHITE, which includes persons whose origins are Anglo-Saxon and Europeans and persons of Indo-European decent including Pakistani and East Indian.

HISPANIC, which includes persons of Mexican, Puerto Rican, Cuban, Central and South American, or other Spanish culture or origin, regardless of race.

NATIVE AMERICAN, which includes persons whose origins are American Indians, Eskimos, Aleuts, or Native Hawaiians.

ASIAN AMERICAN, which includes persons having origin in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands.

1.09 MINORITY-WOMEN BUSINESS ENTERPRISE PARTICIPATION

It is the desire of the City of Fort Lauderdale to increase the participation of minority (MBE) and women-owned (WBE) businesses in its contracting and procurement programs. While the City does not have any preference or set aside programs in place, it is committed to a policy of equitable participation for these firms. Proposers are requested to include in their proposals a narrative describing their past accomplishments and intended actions in this area. If proposers are considering minority or women owned enterprise participation in their proposal, those firms, and their specific duties have to be identified in the proposal. If a proposer is considered for award, he will be asked to meet with City staff so that the intended MBE/WBE participation can be formalized and included in the subsequent contract.

- 1.09(a) **CERTIFICATION BY BROWARD COUNTY, FL:** If awarded a contract or purchase order as a result of this solicitation, and if the awarded contractor/vendor is claiming minority status in accordance with Section 1.08 of the General Conditions, then said awarded contractor/vendor shall apply for certification by Broward County, Florida, Division of Equal Employment and Small Business Opportunity. Contractor/vendor shall provide documentation of application status, and once approved or disapproved by Broward County, must also provide that documentation to the Purchasing Division of the City of Fort Lauderdale.

Part II DEFINITIONS/ORDER OF PRECEDENCE:

- 2.01 **BIDDING DEFINITIONS** The City will use the following definitions in its general conditions, special conditions, technical specifications, instructions to bidders, addenda and any other document used in the bidding process:
 INVITATION TO BID (ITB) when the City is requesting bids from qualified Bidders.
 REQUEST FOR PROPOSALS (RFP) when the City is requesting proposals from qualified Proposers.
 BID – a price and terms quote received in response to an ITB.
 PROPOSAL – a proposal received in response to an RFP.
 BIDDER – Person or firm submitting a Bid.
 PROPOSER – Person or firm submitting a Proposal.
 RESPONSIVE BIDDER – A person whose bid conforms in all material respects to the terms and conditions included in the ITB.
 RESPONSIBLE BIDDER – A person who has the capability in all respects to perform in full the contract requirements, as stated in the ITB, and the integrity and reliability that will assure good faith performance.
 FIRST RANKED PROPOSER – That Proposer, responding to a City RFP, whose Proposal is deemed by the City, the most advantageous to the City after applying the evaluation criteria contained in the RFP.
 SELLER – Successful Bidder or Proposer who is awarded a Purchase Order or Contract to provide goods or services to the City.
 CONTRACTOR – Successful Bidder or Proposer who is awarded a Purchase Order, award Contract, Blanket Purchase Order agreement, or Term Contract to provide goods or services to the City.
 CONTRACT – A deliberate verbal or written agreement between two or more competent parties to perform or not to perform a certain act or acts, including all types of agreements, regardless of what they may be called, for the procurement or disposal of equipment, materials, supplies, services or construction.
 CONSULTANT – Successful Bidder or Proposer who is awarded a contract to provide professional services to the City.
 The following terms may be used interchangeably by the City: ITB, or RFP; Bid or Proposal; Bidder, Proposer, or Seller; Contractor or Consultant; Contract, Award, Agreement or Purchase Order.
- 2.02 **SPECIAL CONDITIONS:** Any and all Special Conditions contained in this ITB that may be in variance or conflict with these General Conditions shall have precedence over these General Conditions. If no changes or deletions to General Conditions are made in the Special Conditions, then the General Conditions shall prevail in their entirety,

PART III BIDDING AND AWARD PROCEDURES:

- 3.01 **SUBMISSION AND RECEIPT OF BIDS:** To receive consideration, bids must be received prior to the bid opening date and time. Unless otherwise specified, Bidder's should use the proposal forms provided by the City. These forms may be duplicated, but failure to use the forms may cause the bid to be rejected. Any erasures or corrections on the bid must be made in ink and initialed by Bidder in ink. All information submitted by the Bidder shall be printed, typewritten or filled in with pen and ink. Bids shall be signed in ink. Separate bids must be submitted for each ITB issued by the City in separate sealed envelopes properly marked. When a particular ITB or RFP requires multiple copies of bids or proposals they may be included in a single envelope or package properly sealed and identified. Only send bids via facsimile transmission (FAX) if the ITB specifically states that bids sent via FAX will be considered. If such a statement is not included in the ITB, bids sent via FAX will be rejected. Bids will be publicly opened in the Procurement Office, or other designated area, in the presence of Bidder's, the public, and City staff. Bidders and the public are invited and encouraged to attend bid openings. Bids will be tabulated and made available for review by Bidder's and the public in accordance with applicable regulations.
- 3.02 **MODEL NUMBER CORRECTIONS:** If the model number for the make specified in this ITB is incorrect, or no longer available and replaced with an updated model with new specifications, the Bidder shall enter the correct model number on the bidder proposal page. In the case of an updated model with new specifications, Bidder shall provide adequate information to allow the City to determine if the model bid meets the City's requirements.
- 3.03 **PRICES QUOTED:** Deduct trade discounts, and quote firm net prices. Give both unit price and extended total. In the case of a discrepancy in computing the amount of the bid, the unit price quoted will govern. All prices quoted shall be F.O.B. destination, freight prepaid (Bidder pays and bears freight charges, Bidder owns goods in transit and files any claims), unless otherwise stated in Special Conditions. Each item must be bid separately. No attempt shall be made to tie any item or items contained in the ITB with any other business with the City.

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- 3.04 TAXES:** The City of Fort Lauderdale is exempt from Federal Excise and Florida Sales taxes on direct purchase of tangible property. Exemption number for Federal Excise taxes is 59-74-0111K, and State Sales tax exemption number is 16-03-196479-54C.
- 3.05 WARRANTIES OF USAGE:** Any quantities listed in this ITB as estimated or projected are provided for tabulation and information purposes only. No warranty or guarantee of quantities is given or implied. It is understood that the Contractor will furnish the City's needs as they arise.
- 3.06 APPROVED EQUAL:** When the technical specifications call for a brand name, manufacturer, make, model, or vendor catalog number with acceptance of APPROVED EQUAL, it shall be for the purpose of establishing a level of quality and features desired and acceptable to the City. In such cases, the City will be receptive to any unit that would be considered by qualified City personnel as an approved equal. In that the specified make and model represent a level of quality and features desired by the City, the Bidder must state clearly in his bid any variance from those specifications. It is the Bidder's responsibility to provide adequate information, in his bid, to enable the City to ensure that the bid meets the required criteria. If adequate information is not submitted with the bid, it may be rejected. The City will be the sole judge in determining if the item bid qualifies as an approved equal.
- 3.07 MINIMUM AND MANDATORY TECHNICAL SPECIFICATIONS:** The technical specifications may include items that are considered minimum, mandatory, or required. If any Bidder is unable to meet, or exceed these items, and feels that the technical specifications are overly restrictive, he must notify the Procurement Division immediately. Such notification must be received by the Procurement Division prior to the deadline contained in the ITB, for questions of a material nature, or prior to five (5) days before bid due and open date, whichever occurs first. If no such notification is received prior to that deadline, the City will consider the technical specifications to be acceptable to all bidders.
- 3.08 MISTAKES:** Bidders are cautioned to examine all terms, conditions, specifications, drawings, exhibits, addenda, delivery instructions and special conditions pertaining to the ITB. Failure of the Bidder to examine all pertinent documents shall not entitle him to any relief from the conditions imposed in the contract.
- 3.09 SAMPLES AND DEMONSTRATIONS:** Samples or inspection of product may be requested to determine suitability. Unless otherwise specified in Special Conditions, samples shall be requested after the date of bid opening, and if requested should be received by the City within seven (7) working days of request. Samples, when requested, must be furnished free of expense to the City and if not used in testing or destroyed, will upon request of the Bidder, be returned within thirty (30) days of bid award at Bidder's expense. When required, the City may request full demonstrations of units prior to award. When such demonstrations are requested, the Bidder shall respond promptly and arrange a demonstration at a convenient location. Failure to provide samples or demonstrations as specified by the City may result in rejection of a bid.
- 3.10 LIFE CYCLE COSTING:** If so specified in the ITB, the City may elect to evaluate equipment proposed on the basis of total cost of ownership. In using Life Cycle Costing, factors such as the following may be considered: estimated useful life, maintenance costs, cost of supplies, labor intensity, energy usage, environmental impact, and residual value. The City reserves the right to use those or other applicable criteria, in its sole opinion that will most accurately estimate total cost of use and ownership.
- 3.11 BIDDING ITEMS WITH RECYCLED CONTENT:** In addressing environmental concerns, the City of Fort Lauderdale encourages Bidders to submit bids or alternate bids containing items with recycled content. When submitting bids containing items with recycled content, Bidder shall provide documentation adequate for the City to verify the recycled content. The City prefers packaging consisting of materials that are degradable or able to be recycled. When specifically stated in the ITB, the City may give preference to bids containing items manufactured with recycled material or packaging that is able to be recycled.
- 3.12 USE OF OTHER GOVERNMENTAL CONTRACTS:** The City reserves the right to reject any part or all of any bids received and utilize other available governmental contracts, if such action is in its best interest.
- 3.13 QUALIFICATIONS/INSPECTION:** Bids will only be considered from firms normally engaged in providing the types of commodities/services specified herein. The City reserves the right to inspect the Bidder's facilities, equipment, personnel, and organization at any time, or to take any other action necessary to determine Bidder's ability to perform. The Procurement Manager reserves the right to reject bids where evidence or evaluation is determined to indicate inability to perform.
- 3.14 BID SURETY:** If Special Conditions require a bid security, it shall be submitted in the amount stated. A bid security can be in the form of a bid bond, postal money order, cashiers check, or irrevocable letter of credit. Bid security will be returned to the unsuccessful bidders as soon as practicable after opening of bids. Bid security will be returned to the successful bidder after acceptance of the performance bond or irrevocable letter of credit, if required; acceptance of insurance coverage, if required; and full execution of contract documents, if required; and full execution of contract documents, if required; or conditions as stated in Special Conditions.
- 3.15 PUBLIC RECORDS:** Florida law provides that municipal records shall at all times be open for personal inspection by any person. Section 119.01, F.S., The Public Records Law. Information and materials received by City in connection with an ITB response shall be deemed to be public records subject to public inspection upon award, recommendation for award, or 10 days after bid opening, whichever occurs first. However, certain exemptions to the public records law are statutorily provided for in Section 119.07, F.S. If the Proposer believes any of the information contained in his or her response is exempt from the Public Records Law, then the Proposer, must in his or her response, specifically identify the material which is deemed to be exempt and cite the legal authority for the exemption, otherwise, the City will treat all materials received as public records.
- 3.16 PROHIBITION OF INTEREST:** No contract will be awarded to a bidding firm who has City elected officials, officers or employees affiliated with it, unless the bidding firm has fully complied with current Florida State Statutes and City Ordinances relating to this issue. Bidders must disclose any such affiliation. Failure to disclose any such affiliation will result in disqualification of the Bidder and removal of the Bidder from the City's bidder lists and prohibition from engaging in any business with the City.

- 3.17 RESERVATIONS FOR AWARD AND REJECTION OF BIDS:** The City reserves the right to accept or reject any or all bids, part of bids, and to waive minor irregularities or variations to specifications contained in bids, and minor irregularities in the bidding process. The City also reserves the right to award the contract on a split order basis, lump sum basis, individual item basis, or such combination as shall best serve the interest of the City. The City reserves the right to make an award to the responsive and responsible bidder whose product or service meets the terms, conditions, and specifications of the ITB and whose bid is considered to best serve the City's interest. In determining the responsiveness of the offer and the responsibility of the Bidder, the following shall be considered when applicable: the ability, capacity and skill of the Bidder to perform as required; whether the Bidder can perform promptly, or within the time specified, without delay or interference; the character, integrity, reputation, judgment, experience and efficiency of the Bidder; the quality of past performance by the Bidder; the previous and existing compliance by the Bidder with related laws and ordinances; the sufficiency of the Bidder's financial resources; the availability, quality and adaptability of the Bidder's supplies or services to the required use; the ability of the Bidder to provide future maintenance, service or parts; the number and scope of conditions attached to the bid.

If the ITB provides for a contract trial period, the City reserves the right, in the event the selected bidder does not perform satisfactorily, to award a trial period to the next ranked bidder or to award a contract to the next ranked bidder, if that bidder has successfully provided services to the City in the past. This procedure to continue until a bidder is selected or the contract is re-bid, at the sole option of the City.

- 3.18 LEGAL REQUIREMENTS:** Applicable provisions of all federal, state, county laws, and local ordinances, rules and regulations, shall govern development, submittal and evaluation of all bids received in response hereto and shall govern any and all claims and disputes which may arise between person(s) submitting a bid response hereto and the City by and through its officers, employees and authorized representatives, or any other person, natural or otherwise; and lack of knowledge by any bidder shall not constitute a cognizable defense against the legal effect thereof.

PART IV BONDS AND INSURANCE

- 4.01 PERFORMANCE BOND/IRREVOCABLE LETTER OF CREDIT:** If a performance bond or irrevocable letter of credit is required in Special Conditions, the Contractor shall within fifteen (15) working days after notification of award, furnish to the City a Performance Bond or an Unconditional Irrevocable Letter of Credit payable to the City of Fort Lauderdale, Florida, in the face amount specified in Special Conditions as surety for faithful performance under the terms and conditions of the contract. If the bond is on an annual coverage basis, renewal for each succeeding year shall be submitted to the City thirty (30) days prior to the termination date of the existing Performance Bond. The Performance Bond must be executed by a surety company of recognized standing, authorized to do business in the State of Florida and having a resident agent. If a Letter of Credit is chosen, it must be in a form acceptable to the City, drawn on a local (Broward, Dade or Palm Beach Counties) bank acceptable to the City and issued in favor of the City of Fort Lauderdale, Florida. If a Bidder wishes to use a non-local bank, he must have prior City approval of the requirements to draw against the Letter of Credit.

Acknowledgement and agreement is given by both parties that the amount herein set for the Performance Bond or Irrevocable Letter of Credit is not intended to be nor shall be deemed to be in the nature of liquidated damages nor is it intended to limit the liability of the Contractor to the City in the event of a material breach of this Agreement by the Contractor.

- 4.02 INSURANCE:** If the Contractor is required to go on to City property to perform work or services as a result of ITB award, the Contractor shall assume full responsibility and expense to obtain all necessary insurance as required by City or specified in Special Conditions.

The Contractor shall provide to the Purchasing Division original certificates of coverage and receive notification of approval of those certificates by the City's Risk Manager prior to engaging in any activities under this contract. The Contractor's insurance is subject to the approval of the City's Risk Manager. The certificates must list the City as an ADDITIONAL INSURED and shall have no less than thirty (30) days written notice of cancellation or material change. Further modification of the insurance requirements may be made at the sole discretion of the City's Risk Manager if circumstances change or adequate protection of the City is not presented. Bidder, by submitting his bid, agrees to abide by such modifications.

PART V PURCHASE ORDER AND CONTRACT TERMS:

- 5.01 COMPLIANCE TO SPECIFICATIONS, LATE DELIVERIES/PENALTIES:** Items offered may be tested for compliance to bid specifications. Items delivered which do not conform to bid specifications may be rejected and returned at Contractor's expense. Any violation resulting in contract termination for cause or delivery of items not conforming to specifications, or late delivery may also result in:
- Bidder's name being removed from the City's bidder's mailing list for a specified period and Bidder will not be recommended for any award during that period.
 - All City Departments being advised to refrain from doing business with the Bidder.
 - All other remedies in law or equity.
- 5.02 ACCEPTANCE, CONDITION, AND PACKAGING:** The material delivered in response to ITB award shall remain the property of the Seller until a physical inspection is made and the material accepted to the satisfaction of the City. The material must comply fully with the terms of the ITB, be of the required quality, new, and the latest model. All containers shall be suitable for storage and shipment by common carrier, and all prices shall include standard commercial packaging. The City will not accept substitutes of any kind. Any substitutes or material not meeting specifications will be returned at the Bidder's expense. Payment will be made only after City receipt and acceptance of materials or services.
- 5.03 SAFETY STANDARDS:** All manufactured items and fabricated assemblies shall comply with applicable requirements of the Occupational Safety and Health Act of 1970 as amended, and be in compliance with Chapter 442, Florida Statutes. Any toxic substance listed in Section 38F-41.03 of the Florida Administrative Code delivered as a result of this order must be accompanied by a completed Material Safety Data Sheet (MSDS).

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- 5.04 ASBESTOS STATEMENT:** All material supplied must be 100% asbestos free. Bidder, by virtue of bidding, certifies that if awarded any portion of the ITB he will supply only material or equipment that is 100% asbestos free.
- 5.05 OTHER GOVERNMENTAL ENTITIES:** If the Bidder is awarded a contract as a result of this ITB, he will, if he has sufficient capacity or quantities available, provide to other governmental agencies, so requesting, the products or services awarded in accordance with the terms and conditions of the ITB and resulting contract. Prices shall be F.O.B. delivered to the requesting agency.
- 5.06 VERBAL INSTRUCTIONS PROCEDURE:** No negotiations, decisions, or actions shall be initiated or executed by the Contractor as a result of any discussions with any City employee. Only those communications which are in writing from an authorized City representative may be considered. Only written communications from Contractors, which are assigned by a person designated as authorized to bind the Contractor, will be recognized by the City as duly authorized expressions on behalf of Contractors.
- 5.07 INDEPENDENT CONTRACTOR:** The Contractor is an independent contractor under this Agreement. Personal services provided by the Proposer shall be by employees of the Contractor and subject to supervision by the Contractor, and not as officers, employees, or agents of the City. Personnel policies, tax responsibilities, social security, health insurance, employee benefits, purchasing policies unless otherwise stated in this ITB, and other similar administrative procedures applicable to services rendered under this contract shall be those of the Contractor.
- 5.08 INDEMNITY/HOLD HARMLESS AGREEMENT:** The Contractor agrees to protect, defend, indemnify, and hold harmless the City of Fort Lauderdale and its officers, employees and agents from and against any and all losses, penalties, damages, settlements, claims, costs, charges for other expenses, or liabilities of every and any kind including attorney fees, in connection with or arising directly or indirectly out of the work agreed to or performed by Contractor under the terms of any agreement that may arise due to the bidding process. Without limiting the foregoing, any and all such claims, suits, or other actions relating to personal injury, death, damage to property, defects in materials or workmanship, actual or alleged violations of any applicable Statute, ordinance, administrative order, rule or regulation, or decree of any court shall be included in the indemnity hereunder.
- 5.09 TERMINATION FOR CAUSE:** If, through any cause, the Contractor shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or if the Contractor shall violate any of the provisions of this Agreement, the City may upon written notice to the Contractor terminate the right of the Contractor to proceed under this Agreement, or with such part or parts of the Agreement as to which there has been default, and may hold the Contractor liable for any damages caused to the City by reason of such default and termination. In the event of such termination, any completed services performed by the Contractor under this Agreement shall, at the option of the City, become the City's property and the Contractor shall be entitled to receive equitable compensation for any work completed to the satisfaction of the City. The Contractor, however, shall not be relieved of liability to the City for damages sustained by the City by reason of any breach of the Agreement by the Contractor, and the City may withhold any payments to the Contractor for the purpose of setoff until such time as the amount of damages due to the City from the Contractor can be determined.
- 5.10 TERMINATION FOR CONVENIENCE:** The City reserves the right, in its best interest as determined by the City, to cancel contract by giving written notice to the Contractor thirty (30) days prior to the effective date of such cancellation.
- 5.11 CANCELLATION FOR UNAPPROPRIATED FUNDS:** The obligation of the City for payment to a Contractor is limited to the availability of funds appropriated in a current fiscal period, and continuation of the contract into a subsequent fiscal period is subject to appropriation of funds, unless otherwise authorized by law.
- 5.12 RECORDS/AUDIT:** The Contractor shall maintain during the term of the contract all books of account, reports and records in accordance with generally accepted accounting practices and standards for records directly related to this contract. The form of all records and reports shall be subject to the approval of the City's Internal Auditor. The Contractor agrees to make available to the City's Internal Auditor, during normal business hours and in Broward, Dade or Palm Beach Counties, all books of account, reports and records relating to this contract for the duration of the contract and retain them for a minimum period of one (1) year beyond the last day of the contract term.
- 5.13 PERMITS, TAXES, LICENSES:** The successful Contractor shall, at his own expense, obtain all necessary permits, pay all licenses, fees and taxes, required to comply with all local ordinances, state and federal laws, rules and regulations applicable to business to be carried on under this contract.
- 5.14 LAWS/ORDINANCES:** The Contractor shall observe and comply with all Federal, state, local and municipal laws, ordinances rules and regulations that would apply to this contract.
- 5.15 NON-DISCRIMINATION:** There shall be no discrimination as to race, sex, color, creed, age or national origin in the operations conducted under this contract.
- 5.16 UNUSUAL CIRCUMSTANCES:** If during a contract term where costs to the City are to remain firm or adjustments are restricted by a percentage or CPI cap, unusual circumstances that could not have been foreseen by either party to the contract occur, and those circumstances significantly affect the Contractor's cost in providing the required items or services, then the Contractor may request adjustments to the costs to the City to reflect the changed circumstances. The circumstances must be beyond the control of the Contractor, and the requested adjustments must be fully documented. The City may, after examination, refuse to accept the adjusted costs if they are not properly documented, increases are considered to be excessive, or decreases are considered to be insufficient. In the event the City does not wish to accept the adjusted costs and the matter cannot be resolved to the satisfaction of the City, the City will reserve the following options:
1. The contract can be canceled by the City upon giving thirty (30) days written notice to the Contractor with no penalty to the City or Contractor. The Contractor shall fill all City requirements submitted to the Contractor until the termination date contained in the notice.

2. The City requires the Contractor to continue to provide the items and services at the firm fixed (non-adjusted) cost until the termination of the contract term then in effect.
3. If the City, in its interest and in its sole opinion, determines that the Contractor in a capricious manner attempted to use this section of the contract to relieve themselves of a legitimate obligation under the contract, and no unusual circumstances had occurred, the City reserves the right to take any and all action under law or equity. Such action shall include, but not be limited to, declaring the Contractor in default and disqualifying him for receiving any business from the City for a state period of time.

If the City does agree to adjusted costs, these adjusted costs shall not be invoiced to the City until the Contractor receives notice in writing signed by a person authorized to bind the City in such matters.

- 5.17 **ELIGIBILITY:** If applicable, the Contractor must first register with the Department of State of the State of Florida, in accordance with Florida State Statutes, prior to entering into a contract with the City.
- 5.18 **PATENTS AND ROYALTIES:** The Contractor, without exception, shall indemnify and save harmless the City and its employees from liability of any nature and kind, including cost and expenses for or on account of any copyrighted, patented or un-patented invention, process, or article manufactured or used in the performance of the contract, including its use by the City. If the Contractor uses any design, device, or materials covered by letters, patent or copyright, it is mutually agreed and understood without exception that the bid prices shall include all royalties or costs arising from the use of such design, device, or materials in any way involved in the work.
- 5.19 **ASSIGNMENT:** Contractor shall not transfer or assign the performance required by this ITB without the prior written consent of the City. Any award issued pursuant to this ITB, and the monies, which may become due hereunder, are not assignable except with the prior written approval of the City Manager or selected designee.
- 5.20 **LITIGATION VENUE:** The parties waive the privilege of venue and agree that all litigation between them in the state courts shall take place in Broward County, Florida and that all litigation between them in the federal courts shall take place in the Southern District in and for the State of Florida.

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| CITY OF FORT LAUDERDALE | | DATE ISSUED: 12-10-02 |
| POLICY and STANDARDS MANUAL | CHAPTER: | |
| | FINANCIAL AND PURCHASING | 9 |
| | SECTION: | |
| | TRAVEL ALLOWANCE AND SUBSISTENCE POLICY | 4 |
| SUBJECT: TRAVEL ALLOWANCE AND SUBSISTENCE POLICY | | 1 |
| PURPOSE | <p>To establish travel allowance and subsistence policy for all employees performing directed travel of an official nature.</p> <p>The policy is designed to cover reasonable employee expenses while traveling on City business and to promote the prudent use of public funds. Employee reimbursements are not intended to be employee compensation or an employee benefit program. The policy is designed to cover all employee travel. A few situations will require exceptions, due to their unusual nature. Any exceptions must have prior written approval of the City Manager, unless they are an emergency. In such an emergency, an after the fact written explanation will be required, from the traveler. Reimbursement will be contingent upon City Manager approval of the explanation.</p> | |

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Supersedes page dated 6-19-97

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b. If an employee must park at the airport, the City will reimburse for costs incurred, up to the current long-term daily rate in effect at Fort Lauderdale International Airport. Parking will not be reimbursed for parking in SHORT TERM area. Receipts must be furnished. Employees eligible for mileage reimbursement may claim their travel to and from the airport and their normal work place, when using their personal vehicles. The mileage should be claimed on the monthly form submitted to the Payroll Section of the Finance Department. Total parking reimbursement shall not exceed \$60.00.

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c. If alternate airports are used for cost savings reasons for the city, the employee will be reimbursed for long-term parking or Shuttle Service to and from these locations. The traveler, indicating a total lower cost was obtained by using alternate airports, must furnish a cost analysis.

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d. The traveler is expected to utilize the least expensive means of transportation from the airport to the hotel, etc. A taxi should only be utilized if that is the least expensive means of transportation. Receipts must be provided for this expense. Credit card transactions are not acceptable as receipts for the purpose of reimbursement.

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5. RENTAL CARS:

a. Use of rental cars may be approved if:

(1) It is required by the nature of the task or travel requirements.

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(2) It will provide less cost to the City, compared to other types of transportation.

(3) If renting a car, the employee must have personal insurance in accordance with PSM 8.1.1. and must have a valid drivers license (PSM 6.16.1.)

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b. All rental cars must be approved by the appropriate Department Director or Assistant City Manager.

c. The smallest rental car (least expensive) commensurate with the task or number of passengers must be utilized. The employee is expected to obtain the best rental rate, after making comparisons. The Procurement Division and the City travel agency will maintain information on State of Florida Contract Rates, plus other special offers which may be available.

d. At the employee's option, the City will reimburse for Collision Damage Waiver (CDW) insurance for rental cars. The City recommends that employees purchase CDW when renting a vehicle.

e. As a general practice, rental cars will not be approved if the employee is staying at or in the near proximity of the conference hotel or meeting location.

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- f. Except for the use of a State Contract rate, whereby fuel may be included in the rental rate, employees obtaining rental cars, shall not accept any provisions for fuel to be provided by the rental agency. It is normally much less expensive if the rental car is returned full of fuel, paid for by the renter at a private gasoline station. When fuel receipts are presented, they will be reimbursed by the City. (NOTE: State Contract requires the contract vendor, who will reimburse for fuel expenditures, for in State rentals.)

6. PERSONAL VEHICLE/CITY VEHICLE/CAR POOLING

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- a. Personal vehicles used for transportation by all employees outside the "tri-county" area will be reimbursed at the approved rate per mile. Employees below Management Level III may be reimbursed within the tri-county area. The Travel Manager will utilize either an appropriate software program or the FDOT Official Highway Mileage found on the World Wide Web and on the City's Lauderlink for determining miles between specific locations. The Travel Manager's acceptable mileage must be final.
- b. The City will reimburse employees for the use of their personal vehicle at the rate allowed by the Internal Revenue Service. The mileage reimbursement that is paid when personal vehicles are used includes costs for fuel, insurance, repairs, etc. Toll road charges will be reimbursed when personal vehicles are used and valid receipts are furnished, if the charge is \$2.00 or more.
- c. If a City vehicle is utilized, tolls and fuel will be reimbursed. The Fleet administrator has provided instructions on what actions to take if a City-owned car needs repair outside of the Fort Lauderdale area. Receipts will be required.
- d. When more than one City employee is attending a conference, meeting or on official business away from Fort Lauderdale, they are expected to "car pool." Only one mileage reimbursement will be made for groups of four employees or less. Allocation of the mileage reimbursement shall be determined by the Travel Manager. Exceptions may be considered to this policy if an employee is an officer of the organization or has other official duties that require he/she must arrive/leave earlier/later than normal or valid reasons approved by the Department Director and the Travel Manager.
- e. An employee may be allowed reasonable, additional mileage, if official business requires a personal vehicle be utilized for local trips while going to or at the destination city. A statement must be attached to the Travel Expense Certificate explaining the need and the number of miles traveled. Additional mileage will not be allowed for travel related to the consumption of meals or for entertainment.

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7. HOTEL RATES:

- a. Room sharing is strongly encouraged as a cost saving measure but it is not required. In high cost areas such as New York, Chicago, Los Angeles, etc., the Department/Travel Manager may require employees to share rooms.

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- b. When an employee is attending a conference, the City will reimburse for a room at the headquarters hotel, unless the traveler wishes to find a convenient nearby location that will result in a savings. Local transportation and parking must be a consideration but will be reimbursed if a savings can accrue to the City. Although conference rates are generally offered, employees are encouraged to investigate availability of government room rates at the conference hotel.
- c. The City will reimburse for the least expensive room at the conference hotel. If a spouse is accompanying, any higher charge for an additional person in the room, will be the responsibility of the employee. The City will reimburse for state or local taxes that are charged, for employee's room only. As a normal policy the City will not pay the hotel directly, therefore it is appropriate for sales tax to be charged. If the Hotel requires a credit card for making reservations and if the payment is required before the trip takes place, the City will advance the amount of the charge, along with the airfare at one time, unless the traveler has a corporate charge card.

MISCELLANEOUS EXPENSE ALLOWANCE WHEN STAYING OVERNIGHT:

- The City will pay a daily allowance of \$5.00 per night, to the employee. This daily allowance is to cover non-meal tips, telephone calls (other than business), other hotel service charges, laundry, and incidental expenses.

9. TRI COUNTY TRAVEL: (Broward, Miami-Dade and Palm Beach Counties)

a. Tolls and Parking:

- (1) If a City car is used, tolls and parking will be reimbursed by the use of petty cash procedures. The vehicle # must be shown on the petty cash reimbursement form.
- (2) If a personal car is used, mileage will be reimbursed at the current approved rate (Except for Management levels, I, II, and III). Tolls of more than \$2.00 will be reimbursed, with receipt, except for Management levels I, II, and III.
- (3) If the employee is on official City business, parking fees will be reimbursed for employees. Casual charges for meters, amounts of \$2.00 or less will not be reimbursed. Parking receipts will be required and should be paid using petty cash.

b. Meal Reimbursement:

- (1) If a meal is part of the official program, paid for as part of the registration, it will not be reimbursed separately.
- (2) If the employee is required, as part of the reason for travel, to be out of the City and returns home after 8:00 PM, the cost of dinner will be allowed in accordance with the per diem schedule in paragraph 11.a. A receipt must be furnished for this expense. Payment for this meal shall be via the department's petty cash.

(3) Meals will be reimbursed in accordance with any applicable labor agreement. All meal reimbursements will require a receipt and will be paid by petty cash.

Hotels:

Hotel expenses in the tri-county area will not normally be reimbursed or authorized. Deviation to this policy may be approved when appealed to the Department Director and the City Managers Office.

d. Advances:

Cash advances will not be provided for travel in the tri-county area.

10. TELEPHONE CALLS:

a. Personal calls will not be reimbursed. They are considered part of the daily miscellaneous expense allowance. A business

N Telephone log should be maintained and completed. Traveler
| should use the appropriate 800 number for accessing the City's
| Voice Mail System, or the City's dial up network. When accessing
| the dial-up network, failure to use the 800 number may be cause
N for non-reimbursement.

b. Official business and FAX calls will be reimbursed with receipts and proper identification, including the name of the person or office called and purpose of call. Receipts or documentation must be with furnished with other travel reconciliation papers. Calls made on a personal credit card or charged to a phone number will not receive reimbursement.

c. THE TRAVELING EMPLOYEE CAN TALK TO ANYONE IN THE CITY, WHOSE

C PHONE IS ON THE 828 PREFIX

C VOICE MAIL BOX AND RECEIVE OR LEAVE MESSAGES. WHEN YOU ARE

C CONNECTED TO YOUR MAIL BOX, PRESS #, ANY FOUR DIGIT EXTENSION

C AND THEN #. THIS PROCEDURE WILL ALLOW THE CALLER TO TALK TO ANY ONE IN THE CITY'S "CENTRAL PHONE SYSTEM", WITHOUT MAKING A TOLL CALL. THE CITY WILL BE CHARGED FOR THESE CALLS, THEREFORE THEY SHOULD BE USED ONLY FOR OFFICIAL AND NECESSARY CITY BUSINESS.

11. MEAL REIMBURSEMENT:

C a. The City will use the following meal allowance schedule for
| meal rates. Breakfast - \$10.38, Lunch - \$10.55, Dinner -
\$24.40.

| Meal allowances include taxes and normal tips. In addition, an
| additional 5% may be added to cities determined by the Travel

C Manager to be above the average meal allowance as shown above.

D In most cases, if a continental breakfast is provided by the

C hotel or conference, this shall suffice as an included breakfast

C and will not be reimbursed. Exceptions will be approved by the

EMPLOYEES SHOULD DIAL 1-800-638-
C 5283 (1-800-6FT-LAUD). THIS WILL ALLOW THEM TO ENTER THEIR

b. The employee may not claim any meals which are included as part
D of the registration fee or are otherwise complimentary. If an employee chooses
not to participate in a meal function that is included or otherwise furnished,
reimbursement will not be provided for that event.

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- c. If the employee cannot arrive at the conference or the start of the formal meetings by leaving the morning of the opening day, overnight hotel expenses will be allowed. If an employee may leave home by 6:00 am and arrive at the conference prior to the start, overnight expenses will not be reimbursed. When disputed, determinations of travel time shall be determined by the Travel Manager, using appropriate mileage software, and the Travel Managers determination shall be final.
- d. If an employee can return to Fort Lauderdale, driving or flying, at or before 10:00 PM, overnight hotel and meal reimbursement will not be allowed. Dinner reimbursement shall be allowed for a traveler arriving home after 8:00 P.M.
- e. Breakfast, on the departure day from the City, will not be reimbursed, unless the traveler is departing by air, and the flight departure is 7:00 A.M. or earlier

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12. TRAVEL ADVANCES AND REIMBURSEMENTS/TRAVEL CHARGE CARDS:

- a. For City employees who have been offered an opportunity to receive a travel charge card and declined, cash advances will not be provided.
- b. For City employees who have not been offered a travel charge card, cash advances may be given. The Travel Request should be submitted three weeks prior to commencement of the trip.
- c. If a cash advance has been provided, when the reconciliation after a trip is completed, amounts of \$2.00 or less need not be paid to the City nor will the traveler be reimbursed for these amounts.

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- d. Traveler's, who have shown a continued pattern of not submitting their Travel Expense Certificate within the allowable five (5) days, shall not be allowed future travel advances. Determination of the continued pattern shall be made by the Travel Manager and the Accounts Payable Supervisor.

13. SUBMISSION OF TRAVEL REQUEST FORMS:

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- a. Travel Request forms should be submitted at least three weeks prior to the departure date. A separate form is required for each traveler. The traveler will be provided with an estimate of the reimbursable expenses prior to departure. A COMPLETE COPY OF ALL AVAILABLE BROCHURES OR PROGRAMS DESCRIBING THE CONFERENCE (if that is the purpose of the trip) MUST BE SUBMITTED WITH THE TRAVEL REQUEST. IF A COMPLETE PROGRAM IS NOT AVAILABLE AT THE TIME THE TRAVEL REQUEST IS SUBMITTED, A COPY MUST BE PROVIDED WITH THE RECONCILIATION FORMS (EXPENSE CERTIFICATE).
- b. Expense Certificates, receipts, and related items, are to be submitted to Accounts Payable in the Finance Department, on form F-168, "Travel Expense Certificate" (See Appendix II) within five days after completion of the trip. Each traveler must sign his/her own request for reimbursements.

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12-10-02

PSM 9.4.1.9

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14. FISCAL YEAR OVERLAP:
- Travel that occurs in the next fiscal year will be approved out of the current fiscal years funds at the discretion of the Finance Department depending on when received and date of travel. The required prior payment should be provided in September of the current fiscal year in accordance with the year-end closing procedures.
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15. TRAVEL CHARGE CARDS:
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- a. Travel charge cards may be approved for issuance by the card company for any City employee, when requested by the appropriate Department Director or if determined to be appropriate by the Travel Manager due to the employee's travel pattern.
- b. Employees who receive a City sponsored travel charge card have an obligation to only use the card for legal expenditures. Employees are expected to pay their charge card invoices in a timely manner. Failure of the employee to pay for the charges prior to the due date brings discredit upon the City and may therefore jeopardize the entire travel charge card program. Department Directors will be notified when their employees appear on the delinquent payment list that is provided by the charge card program. The American Express ghost card should only be used for travelers who have no other means of making airfare arrangements, or for job candidate travel, when deemed appropriate. The American Express ghost card cannot be used if an employee has either a travel card or has declined a travel card. The Ghost card cannot be used for any other travel expenses except for the booking of airfare with the contract travel agent. These numbers are not recognized by the airlines, internet booking sites, or any other travel provider.
- c. Any employee who has a City sponsored travel charge card cancelled will not be entitled to advance travel funds. Employees who have been offered a charge card, but declined, will not be provided advances.
- d. Charges made on the City sponsored travel charge card are the personal responsibility of the employee. In no event will the City be responsible for payment of any charges.

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- e. Since the travel charge card program is sponsored by the City, the City reserves the right to cancel any or all cards at any time or to change program providers if deemed in the best interest of the City.

16. NON EMPLOYEE TRAVEL, REIMBURSED BY THE CITY:

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Non-employee travel will follow the same policies as those for employees. The City Manager's office approval is required prior to making airline reservations for non-employees. The traveler must provide the City his or her Social Security Number for Internal Revenue Service reporting purposes. The non-employee should be told to save all receipts (the Finance Dept. will accept copies) as a Form 1099 will be submitted to IRS and therefore will show as income to the non employee, or to the company.

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17. JOB CANDIDATE OR CITY CONSULTANT TRAVEL:

- a. A rental car may be authorized if the candidate or consultant is required to be in Fort Lauderdale for more than three days or is unable to find accommodations in close proximity to the hiring or using agency.
- b. The Travel Manager will develop an approved "allowance rate" for candidates and consultants. The allowance will include a recommended Hotel rate, meal allowances, \$5.00 per day for incidentals, and a shuttle/taxi to and from the airport, if a rental car is not authorized. The allowance rate should be communicated to the candidate by the Human Resources Division. The City, at its option, may furnish the airline ticket and pay directly for the hotel room. The candidate will be appropriately reimbursed upon submission of all needed receipts.
- c. If the American Express ghost card is used for travel arrangements, accounts payable must be informed of particulars (index code/name/department). The AMEX ghost card may NOT be used for payment of consultant air travel.
- d. Reimbursement will be made in accordance with existing travel policies and procedures. Expenses that are not in accordance with these policies will not be reimbursed.

18. RELOCATION REIMBURSEMENT:

- a. The new employee must be made fully aware of all policies, rules and regulations concerning relocation by the Human Resources Division prior to initiating any activity.
- b. No limit on weight or cost will be placed on transportation or household goods due to wide variances in individual needs. Vehicles cannot be shipped as a "household good".
- c. Taking of transportation bids by the new employee will be required, and will be subject to review by the Travel Manager prior to initiating any activity.

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Supersedes page dated 6-19-97 PSM 9.4.1.11
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- d. City will reimburse for packing, but not unpacking of household goods.
- e. Reimbursement will be provided for the transportation of only one vehicle, based upon the current mileage rate.
- f. If new employee resigns within 2 years he or she will reimburse the City on a monthly pro rata basis for all relocation expenses originally reimbursed by the City. See Personnel Policy.

19. TRAVEL MANAGER:

The Procurement and Materials Management Manager shall serve as the Travel Manager. He/she shall serve at the pleasure of the City Manager. Duties shall include:

- a. Review and approve/disapprove travel advance requests and after the fact reconciliation in accordance with the PSM policies.
- b. Calculate the estimated costs of each individual trip and provide this information to the traveler.
- c. Review and approve/disapprove travel expenses related to relocations for new employees.
- d. Administer travel related contracts such as Charge Cards, Travel Agency services, etc.
- e. Keep up to date changes in travel procedures and practices, recommends changes to our policies as needed.

20. TRAVEL AUTHORIZATION AND FUNDING:

- a. Department Directors shall have the authority to utilize their travel budget appropriation in a manner which they determine will further City and departmental objectives. While individual trips are often identified for budget justification, actual trips are to be taken at the discretion of the Department Director in accordance with these policies.
- b. Budgeted travel consists of those trips which costs can be accommodated within the adopted appropriation for the particular department (objects 50 and 51). Travel Requests (Form F-167, see Appendix I) are to be submitted to the Travel Manager at least three weeks prior to commencing of the trip for review, approval and assignment of TA #. The Travel Manager will calculate approved expenses, assign a TA travel number, and forward the forms to the Finance Department. The Travel Request Form shall be approved or counter signed by a supervisor. For instance, travel of a department head must be approved by an Assistant City Manager. Travel of an Assistant City Manager must be approved by the City Manager. Travel of the City Manager should be counter signed by an Assistant City Manager. The Finance Department will set up an appropriate file and return one copy of the Travel Request Form and a copy of the Estimated Travel Reimbursement document to the Department/traveler. Upon completion of the trip, a Travel Expense Certificate (Form F-168) will be submitted to the Finance Department with a copy of the required receipts.

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- c. Non-budgeted travel is travel whose costs will cause the department total travel appropriation to be exceeded. Travel requests for these trips must be approved by the appropriate Assistant City Manager. When submitting the request, the department must determine the method that will be used to pay for the travel. Any flow of funds from another object must be approved and accompany the Travel Request forms and be submitted for approval to the Assistant City Manager. Any contingency request will require City Commission approval.
- d. It is the responsibility of the individual departments to assure that travel accounts do not exceed budgeted amounts without approval of the appropriate City Manager.